

## Article - Tax - General

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§11-221.

(a) The sales and use tax does not apply to:

(1) a sale of an admission by a person whose gross receipts from the sale are subject to the admissions and amusement tax;

(2) a sale of a communication service, other than a taxable service, rendered by a person whose charge for a communication service is or would be subject to the federal excise tax as described in § 4251 of the Internal Revenue Code in effect on July 1, 1979;

(3) a sale of a motor fuel that is subject to the motor fuel tax or the motor carrier tax;

(4) except for a rental, a sale of a motor vehicle, other than a house or office trailer, that is subject to the motor vehicle excise tax under § 13-809 or § 13-811 of the Transportation Article;

(5) a lease of a motor vehicle that is leased for a period of at least 1 year;

(6) a rental of a motion picture, motion picture trailer, or advertising poster for display on theater premises by a person whose gross receipts from the activity related to the rental is subject to the admissions and amusement tax; or

(7) except for a rental, a sale of a vessel that is subject to the excise tax under § 8-716 of the Natural Resources Article.

(b) If a person who buys tangible personal property or a taxable service in a retail sale pays the sales and use tax when the retail sale is made, the person is not required to pay the tax again when the person uses that tangible personal property or taxable service in the State.

(c) (1) To the extent that a buyer pays another state a tax on a sale or gross receipts from a sale of tangible personal property or a taxable service that the buyer acquires before the property or service enters this State, the sales and use tax does not apply to use of the property or service in this State.

(2) If the tax paid to another state is less than the sales and use tax, the buyer shall pay the difference between the sales and use tax and the amount paid to the other state in accordance with the formula under § 11-303(b) of this title.

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